

Senate Study Bill 351

Conference Committee Text

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1 1 Section 1. NEW SECTION. 298.6 LEVY FOR ANNUAL LEASE ON
1 2 JOINT BUILDING.

1 3 If a school district has joined with the county or a city
1 4 to form an authority for a joint building as provided in
1 5 section 346.27, and has entered into a lease with the
1 6 authority, the board of directors may levy a tax sufficient to
1 7 pay the annual rent payable under the lease.

1 8 Sec. 2. Section 331.424, subsection 1, paragraph k, Code
1 9 1995, is amended to read as follows:

1 10 k. Joint county.

~~and~~

~~city, or school district building~~
1 11 authorities established under section 346.27, as provided in
1 12 subsection 22 of that section.

1 13 Sec. 3. Section 346.27, subsection 2, Code 1995, is
1 14 amended to read as follows:

1 15 2.

~~Any~~

~~A county~~

~~may join with its county seat~~

~~, city, or~~

1 16 school district which shares common land area with another
1 17 county, city, or school district to incorporate an "Authority"
1 18 for the purpose of acquiring, constructing, demolishing,
1 19 improving, enlarging, equipping, furnishing, repairing,
1 20 maintaining, and operating a public building, and to acquire
1 21 and prepare the necessary site, including demolition of any
1 22 structures, for the joint use of

~~the county and city or any~~

1 23

~~school district which is within or is a part of the county or~~

1 24

~~city~~

~~all or a part of the building by the incorporating units.~~

1 25 Sec. 4. Section 346.27, subsection 3, Code 1995, is
1 26 amended by adding the following new paragraph:

1 27 NEW PARAGRAPH. c. For a school district, by the president
1 28 of the board of directors.

1 29 Sec. 5. Section 346.27, subsection 5, Code 1995, is
1 30 amended to read as follows:

1 31 5. The authority shall be directed and governed by a board
1 32 of commissioners of three members, one to be elected by the
1 33

~~board of supervisors of the county from the area outside of~~

1 34

~~the county seat, one to be elected by the council of the city~~

1 35

~~from the area inside the city~~

~~governing body of each~~

2 1 incorporating unit, and one to be elected by the joint action
2 2 of the

~~board of supervisors of the county and the council of~~

2 3

~~the city~~

~~governing bodies of the two incorporating units, and~~

2 4 if the governing bodies are unable to agree upon a choice for
2 5 the third member within sixty days of the election of the
2 6 first member, then the third member shall be appointed by the
2 7 governor. The commissioners shall serve for six-year terms.
2 8 Of the first appointees, the member appointed by the

~~board of~~

2 9

~~supervisors~~

~~governing body of the incorporating unit having~~

2 10 the largest population shall be for a term of two years, the
2 11 member appointed by the

~~city council~~

~~governing body of the~~

2 12 other incorporating unit shall be for a term of four years,
2 13 and the member appointed by the joint action of the

~~board and~~

2 14

~~council~~

~~governing bodies of both incorporating units or the~~

2 15 governor shall be for a term of six years. The board of
2 16 commissioners shall designate one

~~of their number~~

~~commissioner~~

2 17 as chairperson, one as secretary, and one as treasurer, and
2 18 shall adopt bylaws and rules of procedure and provide

~~therein~~

2 19 for regular meetings and for the proper safekeeping of

~~its~~

~~the~~

2 20 board's records.

~~No~~

~~A~~ commissioner shall not receive any

2 21 compensation in connection with services as commissioner.

2 22 Each commissioner, however,

~~shall be~~

~~is~~ entitled to

2 23 reimbursement for any necessary expenditures in connection
2 24 with the performance of the commissioner's duties.

2 25 Sec. 6. Section [346.27](#), subsection 9, paragraphs a, b, c,

2 26 and d, Code 1995, are amended to read as follows:
2 27 a. To select, locate, and designate an area lying wholly
2 28 within the territorial limits of

~~the county seat of the county~~

2 29

~~in which the authority is incorporated~~

~~either incorporating~~

2 30 unit as the site to be acquired for the construction,
2 31 alteration, enlargement, or improvement of

~~a building~~

~~one or~~

2 32 more buildings. The site selected is subject to approval by a
2 33 majority of the members of each governing body of the
2 34 incorporating units.

2 35 b. To acquire in the corporate name of the authority the
3 1 fee simple title to the real property located within

~~the~~

~~a~~

3 2 designated area by purchase, gift, devise, or by the exercise
3 3 of the power of eminent domain, or to take possession of real
3 4 estate by lease.

3 5 c. To demolish, repair, alter, or improve any building
3 6 within the designated area, to construct

~~a~~

~~one or more new~~

3 7

~~building~~

~~buildings~~ within the area and to furnish, equip,
3 8 maintain, and operate the

~~building~~

~~buildings~~.

3 9 d. To construct, repair, and install streets, sidewalks,
3 10 sewers, water pipes, and other similar facilities and
3 11 otherwise improve

~~the~~

~~a selected site.~~

3 12 Sec. 7. Section 346.27, subsections 10, 11, and 12, Code
3 13 1995, are amended to read as follows:

3 14 10. After the incorporation of an authority, and before
3 15 the sale of any issue of revenue bonds, except refunding
3 16 bonds, the authority shall submit in a single

~~countywide~~

3 17 election to the qualified voters of

~~the city and county~~

~~both~~

3 18 incorporating units, at a general, primary, or special
3 19 election called for that purpose, the question of whether

~~an~~

3 20 the authority shall issue and sell revenue bonds, stating the
3 21 amount, for any of the purposes for which

~~it~~

~~the authority is~~

3 22 incorporated. An affirmative vote of a majority of the votes
3 23 cast on the proposition is required to authorize the issuance
3 24 and sale of revenue bonds. A notice of the election shall be
3 25 published once each week for at least two weeks in

~~some~~

- a
3 26 newspaper

~~published~~

- generally circulated in the

~~county~~

-
3 27 incorporating units. The notice shall name the time when the
3 28 question shall be submitted, and a copy of the question to be
3 29 submitted shall be posted at each polling place during the day
3 30 of election. The authority shall call

~~this~~

- the election with
3 31 the concurrence of both incorporating units, and

~~it~~

- the
3 32 authority shall establish the voting precincts and polling
3 33 places, and appoint the election judges

~~, and in so doing such~~

-
3 34 The election procedures shall be in accordance with

~~the~~

-
3 35

~~provisions of~~

- chapters 49 and 50.

4 1 11. When the board of commissioners decides to issue bonds
4 2 subject to the election requirement,

~~it~~

- the board shall adopt
4 3 a resolution describing the

~~area~~

- areas to be acquired, the
4 4 nature of the existing improvements, the disposition to be
4 5 made of the improvements, and a general description of any new
4 6 buildings to be constructed.

4 7 12. The resolution shall set out the limit of the cost of
4 8 the project, including the cost of acquiring and preparing

~~the~~

-
4 9

~~site~~

- one or more sites, determine the period of usefulness and
4 10 fix the amount of revenue bonds to be issued, the date or
4 11 dates of maturity, the dates on which interest is payable, the
4 12 sinking fund provisions, and all other details in connection
4 13 with the bonds. The board shall determine and fix the rate of
4 14 interest of any revenue bonds issued, in a resolution adopted
4 15 by the board prior to the issuance. The resolution, trust
4 16 agreement, or other contract entered into with the bondholders
4 17 may contain covenants and restrictions concerning the issuance

4 18 of additional revenue bonds as necessary or advisable for the
4 19 assurance of the payment of the bonds authorized.

4 20 Sec. 8. Section [346.27](#), subsection 22, Code 1995, is
4 21 amended to read as follows:

4 22 22. When an incorporating unit enters into a lease with
4 23 the authority, the governing body of the incorporating unit
4 24 shall provide by ordinance or resolution for the levy and
4 25 collection of a direct annual tax sufficient to pay the annual
4 26 rent payable under the lease as and when it becomes due and
4 27 payable. The tax shall be levied and collected in like manner
4 28 with the other taxes of the incorporating unit and shall be in
4 29 addition to all other taxes authorized to be levied by that
4 30 incorporating unit. This tax shall not be included within and
4 31 shall be in addition to any statutory limitation of rate or
4 32 amount for that incorporating unit. The fund realized from
4 33 the tax levy shall be set aside for the payment of the annual
4 34 rent and shall not be disbursed for any other purpose until
4 35 the annual rental has been paid in full. An incorporating
5 1 unit which has entered into a lease with the authority may
5 2 enter into a sublease or use agreement with the other
5 3 incorporating unit to provide for the joint use of all or part
5 4 of the building.

5 5 Sec. 9. Section [346.27](#), subsection 25, Code 1995, is
5 6 amended to read as follows:

5 7 25. When all bonds issued by an authority have been
5 8 retired, the authority may convey the title to the property
5 9 owned by the authority to the incorporating units in
5 10 accordance with the provisions therefor contained in the
5 11 articles of incorporation, or, if none, in accordance with any
5 12 agreement adopted by the respective governing bodies of the
5 13 incorporating units, and the authority. The proposition of
5 14 whether a conveyance shall be made shall be submitted to the
5 15 legal voters of

~~the city and county~~

- ~~both incorporating units,~~

5 16 utilizing the election procedures provided for bond issues,
5 17 and an affirmative vote equal to at least a majority of the
5 18 total votes cast on the proposition shall be required to
5 19 authorize the conveyance. If the proposition does not carry,
5 20 the authority shall continue to operate, maintain, and manage
5 21 the building under a lease arrangement with the incorporating
5 22 units.

5 23 Sec. 10. Section [384.12](#), subsection 15, Code 1995, is
5 24 amended to read as follows:

5 25 15. If a city has joined with the county or a school
5 26 district to form an authority for a joint

~~county city~~

- ~~county-~~

5 27 city-school district building, as provided in section 346.27,
5 28 and has entered into a lease with the authority, a tax
5 29 sufficient to pay the annual rent payable under the lease.

5 30 EXPLANATION

5 31 This bill amends several subsections of section 346.27 to
5 32 authorize a school district to join with a county or city with
5 33 overlapping jurisdictions to create a joint building authority
5 34 for the purpose of creating a joint authority to acquire,
5 35 construct, operate, and finance one or more buildings which
6 1 will be used jointly by the school district and a county or
6 2 city. The bill also authorizes a tax levy for school
6 3 districts to make lease payments for buildings which the
6 4 district may lease from the joint authority.

6 5 Currently, section 346.27 allows a county and a city to
6 6 create a joint building authority to acquire, construct, and
6 7 finance one or more buildings for joint use.

6 8 LSB 2617SC 76

